

**COVID-19 EMERGENCY HELP FOR MARACHA ST. JOSEPH'S HOSPITAL  
AUDIT REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED  
30TH SEPTEMBER 2021**

**AUDITED BY:**



**Plot 62/64 Avenue Road, Arua Catholic Center Cafeteria, Ground Floor Room 10**  
[P.O. Box 211, Arua; Email: asaassociates13@gmail.com](mailto:asaassociates13@gmail.com)  
**Office Tel: +256 200 902 363; Mobile: +256 772 357 282: +256 752 357 282**

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**Project Information**

<b>Donor Partner</b>	Diocese of Augsburg
<b>Implementing Partner</b>	Diocese of Arua
<b>Project Recipient</b>	St. Joseph's Hospital Maracha
<b>Address</b>	Diocese of Arua P. O. Box 135, Arua - Uganda Tel: 256 783 197 030 E-mail: <a href="mailto:project.office@dioceseofarua.org">project.office@dioceseofarua.org</a>
<b>Bankers</b>	Centenary Rural Development Bank Ltd Arua branch, Uganda
<b>Auditors</b>	ASA Associates Certified Public Accountants (U) Plot 62/64 Avenue Road Arua Catholic Center Cafeteria Building Room 10, ground floor P. O. Box 211, Arua - Uganda Tel: +256 200 902 363 Email: <a href="mailto:asaassociates13@gmail.com">asaassociates13@gmail.com</a>

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## **Report of the project management**

### **Introduction**

The project management committee present their report together with the financial statements for the period ended 30 September 2021.

### **Purpose**

The principal purpose of the fund is to offer a one-off support to St. Joseph Hospital Maracha with medical drugs, equipment and supplies for fight against COVID-19.

### **Financial results**

The financial results for the period ended 30 September 2021 are presented on page 5. A general review of the project is given by the project officer on page 2

### **Accummulated Fund**

The project's accummulated fund is € 0 equivalent to U.shs. 0 during the period as the project was a one-off funding activity.

### **Board of Governors and Project management team**

The project funds were managed by Arua Diocese project office, the required medical equipment were procured by the project office and delivered to Maracha hospital for management.

### **Events subsequent to balance sheet date**

There is no material event that has occurred between the balance sheet date and the date of this report that would require adjustment to these financial statements.

### **Management by third parties**

None of the business of the project has been managed by a third person or organisation in which some board of governors and management advisory board have interest during the year.

### **Auditors**

The auditors ASA Associates, having expressed their willingness conducted the audit in accordance with section 159 (2) of the Uganda Companies Act (Cap 110).

### **By order of the Project management committee**



**Mr. Hannes Urban**  
**Diocese of Arua - Project Officer**  
**Dated:**

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## **Statement of Project Management Committee Responsibilities**

The Donor requirements and the diocesan financial policy require the project office to prepare financial statements for each project period, which give a true and fair view of the financial affairs of the project as at the end of the accounting period and of its operating results for that period. They also require the project office to ensure that the accounting records are properly kept, which disclose with reasonable accuracy at any time the financial position of the project. They are also responsible for safeguarding the assets of the project.

The project office is ultimately responsible for the internal control of the project. Standards and systems of internal control are designed and implemented by management to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability of the project assets. Appropriate accounting policies supported by reasonable and prudent judgements and estimates, are applied on a consistent basis and using the going concern basis. These systems and controls include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

The project office accept responsibility for the year's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Ugandan Companies Act (Cap 110). The project management is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the project and of its operating results. The project management further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The project management have made an assessment of the project's ability to continue as a going concern and are satisfied that the project was a one-off support to Maracha hospital. Furthermore, the project management are not aware of any material uncertainties that hindered its implementations during the project period however; the one-off financial support does not affect the Hospital's ability to continue as a going concern.

The financial statements were approved by the project officer on 30/09/2021 and signed on its behalf by:



**Mr. Hannes Urban**  
**Diocese of Arua - Project Officer**  
**Dated:**



ASSOCIATES  
CERTIFIED PUBLIC ACCOUNTANT

Located at Catholic Centre Cafeteria Building  
Room 10 Ground Floor,  
Plot 62/64 Avenue Road,  
P.O. Box 211, Arua (U)  
Tel: 0200 902 363  
asaassociates13@gmail.com

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## **Independent Auditor's Report to the Project Committee of the COVID-19 Emergency help for Maracha St. Joseph's Hospital**

### **Opinion**

I have audited the accompanying Financial Statements of the COVID-19 Emergency help for Maracha St. Joseph's Hospital for the period ended 30th September 2021 which comprise of the Statement of Financial Performance; the Statement of Financial Position; the Statement of Cash Flows; and a Summary of Significant Accounting Policies and Explanatory Notes.

In my opinion, the financial statements present a true and fair view of the financial position of the COVID-19 Emergency help for Maracha St. Joseph's Hospital as at 30th September 2021 and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards and the requirements of the donor.

### **Basis for Opinion**

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of my report. I am Independent of the project, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the project financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have determined that there are no key audit matters to communicate in my report.

### **Other Matters**

The project officer is responsible for the other information. The other information comprises the report of the project management committee, the schedules of their expenditures but does not include the financial statements and my auditor's report thereon, which I obtained prior to the date of this auditor's report, and which is expected to be made available to me after that date. My opinion on the financial statements does not cover the other information and I do not and will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

### **Responsibilities of Management and Those Charged with Governance of the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the donor agreement, and for such internal controls as the management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the project's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the project to ease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the project's Financial Reporting.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the project financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of these financial statements.

As part of an audit in accordance with ISAs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the project internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the project's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the project to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I complied with relevant ethical requirements regarding independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other Legal and Regulatory Requirements**

In complying with good accounting practice, I report to you, based on my audit, that;

I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

In my opinion, proper books of accounts have been kept by management, so far as appears from my examination of those books, and;

The balance sheet and income and expenditure statement are in agreement with the books of

The engagement partner on the audit resulting in this independent auditor's report is CPA Asea Emmanuel - FM1017.

### **Signed by:**



**Asea Emmanuel - FM1017**

**ASA Associates**

**Certified Public Accountant of Uganda**

**P.O. Box 211,**

**Arua**

**ASA ASSOCIATES**  
**CERTIFIED PUBLIC ACCOUNTANT**  
**P.O. BOX 211, ARUA**

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**STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30/09/ 2021**

	<b>Note</b>	<b>2021 EURO (€)</b>	<b>2021 UGX. shs</b>
<b>Donations</b>	3		
Diocese of Augsburg	3.1	7,500	30,569,400
Diocese of Arua	3.2	-	63
<b>Total Income</b>		<b><u>7,500</u></b>	<b><u>30,569,463</u></b>
<b>Project Expenditures</b>	4		
Medical Items from JMS, Arua	4.1	(7,029)	(28,651,091)
Transport and Carriage Costs	4.2	(71)	(290,000)
Administration Costs	4.3	(400)	(1,628,372)
<b>Total project expenditure</b>		<b><u>(7,500)</u></b>	<b><u>(30,569,463)</u></b>
<b>Surplus for the year</b>		<b><u><u>(0)</u></u></b>	<b><u><u>0</u></u></b>

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**STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021**

	Note	2021 EURO (€)	2021 UGX. shs
<b>ASSETS</b>			
<b>Current assets</b>			
Bank and cash balances	5	-	-
		-	-
<b>TOTAL ASSETS</b>		-	-
<b>EQUITY AND LIABILITIES</b>			
Restricted fund	6	-	(63)
General fund	7	-	63
		-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		-	-

The financial statements on pages 5 to 12 were approved by the Project Management Committee on **30/09/2021** and signed by:




**Mr. Hannes Urban**  
**Diocese of Arua - Project Officer**

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**STATEMENT OF ACCUMMULATED FUND AS AT 30 SEPTEMBER 2021**

	Restricted Fund 2021		General Fund 2021		Total Fund 2021	
	EURO (€)	UGX. shs	EURO (€)	UGX. shs	EURO (€)	UGX. shs
Balance as at 01 September 2021	-	-	-	-	-	-
Surplus/ Deficit for the year	<u>(0)</u>	<u>(63)</u>	<u>0</u>	<u>63</u>	<u>(0)</u>	<u>0</u>
<b>Balance as at 30 September 2021</b>	<b><u>(0)</u></b>	<b><u>(63)</u></b>	<b><u>-</u></b>	<b><u>63</u></b>	<b><u>- 0</u></b>	<b><u>0</u></b>

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**STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	<b>2021 EURO (€)</b>	<b>2021 UGX. shs</b>
<b>OPERATING ACTIVITIES</b>		
Surplus for the period	(0)	0
<b>Operating surplus before working capital changes</b>	<u>(0)</u>	<u>0</u>
<b>Cash used in operations</b>	<u>(0)</u>	<u>0</u>
<b>Net cash flows used in operating activities</b>	<u>(0)</u>	<u>0</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(0)</b>	<b>0</b>
Opening cash and cash equivalents	-	-
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<u><u>(0)</u></u>	<u><u>0</u></u>
 <b>Statement of Reconciliation of Cash &amp; Cash Equivalents</b>		
Cash and Bank balances	-	-
<b>Total</b>	<u><u>-</u></u>	<u><u>-</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**

**1 Project information and going concern**

**1.1 Project Information**

The principal purpose of the fund is to offer a one-off support to St. Joseph Hospital Maracha with medical drugs, equipment and supplies for fight against COVID-19.

**1.2 Objectives of the audit**

The audit was set out to determine the following: Expenses are incurred in accordance with International Financial Reporting Standards (IFRS) and comply with external regulations, internal policies and procedures; Project funds and property are safeguarded; Provide assurance of the reliability and the integrity of information and reports as well as underlying supporting information.

**1.3 Scope of the Audit**

The audit covered all financial and none financial aspects of the project including the environmental impact assessment and it covers activities of the project implemented within the project period. Our audit report covers; Financial statements of the project, necessary internal controls and budgetary controls implemented during the year and management systems for recording, documentation, and reporting on resource utilisation.

We performed our audit on the basis of the project accounts available. Our audit procedures did not cover the evaluation of the usage of the medical equipment at the project site.

**1.4 Going concern**

The project management have made an assessment of the project's ability to continue as a going concern and are satisfied that the project was a one-off support to Maracha hospital. Furthermore, the project management are not aware of any material uncertainties that hindered its implementations during the project period however; the one-off financial support does not affect the Hospital's ability to continue as a going concern.

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**NOTES TO THE FINANCIAL STATEMENTS**

**2 Summary of significant accounting policies**

The principal accounting policies adopted in the preparation of the financial statements of the projects are set out below:

**2.1 Basis of accounting and statements of compliance**

The financial statements are prepared on cash basis unless otherwise stated. The financial statements are presented in EURO and equivalent of Ugandan shillings.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), and the requirements of the Ugandan Companies Act (Cap 110).

**2.2 Revenue recognition and other income recognition**

Revenues under the project are recognised with certainty that the economic benefits will flow to the project and can be reliably measured

**2.3 Donations**

Donations were recognised as income when transfers were made into the project bank account. Donations earmarked for future receipt are excluded from the period total income.

**2.4 Cash and cash equivalents**

As reflected in the statement of cash flows, cash and cash equivalents comprise cash on hand and deposits held with banks.

**2.5 Income**

Total income represents the aggregate value of receipts from donors.

**2.6 Property, Plant and Equipments**

All amounts incurred on acquisition of property and equipments are recognised as an expense in the period of acquisition. Management is required to keep physical track of the project's assets

**2.7 Taxation**

No provision for tax or deferred tax is recognised, as the programme is deemed to be exempt from tax.

**2.8 Translation of foreign currencies**

All income and expenditure items have been translated from EURO into Ugandan shillings. All transactions during the period have been translated at an average of EURO (€) 1 to UGX shs 4,075.92

**2.9 Comparatives**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

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	<b>2021 EURO (€)</b>	<b>2021 UGX. shs</b>
<b>3 Revenue</b>		
<b>3.1 Donations</b>		
Diocese of Augsburg	7,500	30,569,400
	<u><b>7,500</b></u>	<u><b>30,569,400</b></u>
3.2 Local fund contribution	<u>-</u>	<u><b>63</b></u>
<b>4 Schedule of Project Expenditures</b>		
<b>4.1 Medical Items from Joint Medical Store, Arua</b>		
Medical Masks Earloop	155	630,000
Standard N95 Respirator Mask	2,208	9,000,000
Face Shield	48	194,341
Sodium Hypochlorite solution 5ltr	107	436,009
Hand Sanitizer 20ltr	248	1,012,415
Azithromycin 500mg tabs	944	3,848,681
Ascorbic Acid 100mg dawa	59	240,000
Zinc Sulphate 20mg tabs	15	59,400
Ceftriaxone 1q vial	1,227	4,999,888
Oxygen Cylinder with gas large	407	1,660,936
Gloves non-sterile medium disposable	1,612	6,569,420
	<u><b>7,029</b></u>	<u><b>28,651,091</b></u>
<b>4.2 Transport and Carriage Costs</b>		
Transportation cost by Yaka Saidi	71	290,000
	<u><b>71</b></u>	<u><b>290,000</b></u>
<b>4.3 Administration Costs</b>		
Local Bank charges	22	90,808
Bank commission on transaction	4	14,352
2% administration for diocese	149	609,285
3% administration for project office	224	913,927
	<u><b>400</b></u>	<u><b>1,628,372</b></u>
<b>5 Cash and bank balances</b>		
Cash at bank	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

	<b>2021 EURO (€)</b>	<b>2021 UGX. Shs</b>
<b>6 Restricted Fund</b>		
The balance on this account relates to unspent donor funds as follows:		
Balance as at 01/09/ 2021	-	-
Receipts	7,500	30,569,400
Expenditures	<u>(7,500)</u>	<u>(30,569,463)</u>
<b>Balance as at 30/09/ 2021</b>	<b><u>(0)</u></b>	<b><u>(63)</u></b>
<b>7 General Fund</b>		
The balance on this account relates to accumulated surplus as follows:		
Balance at 01/09/2021	-	-
Surplus for the period	(0)	0
Transfer from restricted fund	<u>0</u>	<u>63</u>
<b>Balance as at 30 September 2021</b>	<b><u>-</u></b>	<b><u>63</u></b>